

HOW TO READ THE BUDGET

Volume 2 contains information on non-General Fund budgets or “Other Funds.” A fund accounts for a specific activity that a government performs. For example, refuse collection and recycling is an activity and therefore, a fund that is classified as a Special Revenue Fund.

The chief component of information in Volume 2 is called a narrative. Each fund will have its own narrative that contains program and budgetary information. The narrative will have several elements including:

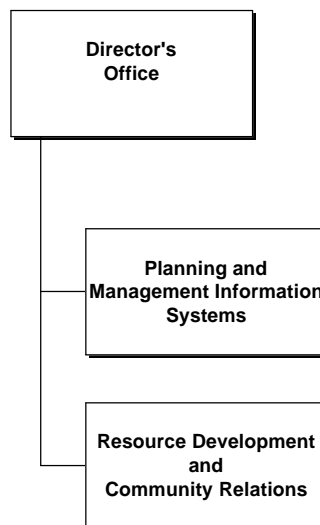
- Organization Chart
- Agency Position Summary and Position Detail
- Agency Mission, Summary Table, and Summary by Cost Center Table
- Board of Supervisors’ Adjustments
- Agency Purpose, Key Accomplishments, FY 2004 Initiatives, FY 2004 Budget Reductions, and Performance Measurement Results
- Funding Adjustments
- Cost Center-Specific Goals, Objectives and Performance Indicators
- Fund Statement
- Summary of Capital Projects
- Project Detail Tables

Not all narratives will contain each of these components. For example, funds that are classified as Capital Funds will not have organization charts because they do not have positions; that is, they only provide funding for the purchase and construction of capital items. However, Capital Funds do have a Summary of Capital Projects that lists the cost of each project in a fund. A brief example of each section follows.

Organization Chart:

The organization chart displays the organizational structure of each agency. The *Agency Position Summary* and *Position Detail* information, as they correspond to the organization chart, will immediately follow the pictorial organization chart. The position detail information is found on the page following the pictorial organization chart.

COMMUNITY SERVICES BOARD CENTRAL SERVICES



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Agency Position Summary

7 Regular Positions (1) / 6.5 Staff Years (1.0)

Total positions may include Regular, Grant, Exempt, and/or State positions.

Indicates whether positions have been authorized for full time or part time. A value less than the number of positions, e.g., 6.5, would indicate that one or more positions are authorized for less than full time.

Position Detail Information

Director's Office

1	Director
1	Administrative Aide, PT
<u>1</u>	Secretary II
3	Positions
2.5	Staff Years

This indicator denotes the corresponding position status for positions other than Regular, e.g., PT – Part Time; E - Exempt; G – Grant; C – Contract; T – Transfer.

Project Management

1	Programmer IV
2	Engineers III (1)
<u>1</u>	Surveyor II
4	Positions (1)
4.0	Staff Years (1.0)

The parentheses reflect either the addition of a new position (1) or the abolishment of a position (-1). This modification is also reflected in the above Agency Position Summary table.

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Agency Mission, Summary Table, and Summary by Cost Center Table:

The next section of the narrative is the Agency Mission, a broad statement reflecting intended accomplishments for achievement of the agency's public purpose. It describes the unique contribution of the organization to the County government and/or citizens receiving services and provides a framework within which an agency operates. The Summary Table summarizes the agency's positions and expenditures less recovered costs. If an agency has multiple cost centers, this section will also contain a Summary by Cost Center table that summarizes expenditures. A cost center is a group of individual line items or expenditure categories within a program unit developed to meet specific goals and objectives.

In the example below, Fund 401, Sewer Operation and Maintenance, is divided into four different cost centers to account for its activities: Wastewater Administration, Wastewater Collection, Wastewater Treatment, and Wastewater Planning and Monitoring. Each cost center has its own goal, summary table, objectives, and performance indicators later in the narrative.

Agency Mission

To safely collect and treat wastewater in compliance with all regulatory requirements using state-of-the-art technology in the most cost-effective manner in order to improve the environment and enhance the quality of life in Fairfax County.

Agency Summary					
Category	FY 2002 Actual	FY 2003 Adopted Budget Plan	FY 2003 Revised Budget Plan	FY 2004 Advertised Budget Plan	FY 2004 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	352/ 351.5	352/ 351.5	349/ 348.5	349/ 348.5	349/ 348.5
Expenditures:					
Personnel Services	\$17,768,869	\$21,141,130	\$19,506,237	\$22,145,842	\$22,040,399
Operating Expenses	42,633,459	42,653,792	47,426,075	49,274,548	49,274,548
Capital Equipment	1,261,369	721,784	880,604	858,059	858,059
Subtotal	\$61,663,697	\$64,516,706	\$67,812,916	\$72,278,449	\$72,173,006
Less:					
Recovered Costs	(\$683,007)	(\$690,666)	(\$563,966)	(\$578,471)	(\$578,471)
Total Expenditures	\$60,980,690	\$63,826,040	\$67,248,950	\$71,699,978	\$71,594,535

Summary By Cost Center					
Cost Center	FY 2002 Actual	FY 2003 Adopted Budget Plan	FY 2003 Revised Budget Plan	FY 2004 Advertised Budget Plan	FY 2004 Adopted Budget Plan
Wastewater Administration	\$1,833,974	\$233,587	\$171,523	\$372,150	\$370,832
Wastewater Collection	9,919,203	11,384,688	11,105,048	12,597,802	12,546,568
Wastewater Treatment	14,360,574	18,640,806	18,603,117	19,335,017	19,303,378
Wastewater Planning & Monitoring	34,866,939	33,566,959	37,369,262	39,395,009	39,373,757
Total Expenditures	\$60,980,690	\$63,826,040	\$67,248,950	\$71,699,978	\$71,594,535

It is important to note that expenditures are summarized in three categories. *Personnel Services* consist of expenditure categories including regular pay, shift differential, limited and part-time salaries, and overtime pay. *Operating Expenses* are the day-to-day expenses involved in the administration of the agency, such as office supplies, printing costs, repair and maintenance for equipment, and utilities. *Capital Equipment* includes items

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that have a value exceeding \$5,000 and an expected lifetime of more than one year, such as an automobile or other heavy equipment. In addition, some agencies will also have a fourth expenditure category entitled *Recovered Costs*. Recovered Costs are reimbursements from other County agencies for specific services that have been provided to the agency and are reflected as a negative figure in the agency's budget, thus offsetting expenditures.

Board of Supervisors' Adjustments:

This section summarizes the changes made by the Board of Supervisors to the FY 2004 Advertised Budget Plan and all adjustments to the FY 2003 budget from January 1 through April 21, 2003. When combined with the information found in the "Funding Adjustments" section, the reader will be able to track the agency's budget, beginning with the FY 2003 Adopted Budget Plan through the adoption of the current-year FY 2004 Adopted Budget Plan.

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2004 Advertised Budget Plan, as approved by the Board of Supervisors on April 28, 2003:

- ♦ A decrease of \$105,443 in Personnel Services reflects reduced funding for the Pay for Performance program. Based on the approved 25 percent reduction, the FY 2004 program will result in reductions in the increases employees will receive based on their performance rating, capping employees to a maximum of 5.25 percent. This adjustment leaves in place the Pay for Performance program in preparation for system redesign in FY 2005.

The following funding adjustments reflect all approved changes to the FY 2003 Revised Budget Plan from January 1, 2003 through April 21, 2003. Included are all adjustments made as part of the FY 2003 Third Quarter Review:

- ♦ An increase of \$2,065,703 was primarily due to increased interjurisdictional payments from neighboring treatment plants for higher plant operating costs such as chemicals, electricity, fuel oil, natural gas and cost of living adjustments to maintain competitive salaries for treatment plant employees. This increase was completely offset by an increase in the Transfer In from Fund 400, Sewer Revenue.
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Agency Purpose, Key Accomplishments, FY 2004 Initiatives, FY 2004 Budget Reductions, and Performance Measurement Results:

The following narrative sections are designed to give the reader a more detailed overview of the activities in each agency/fund. Fund 117, Alcohol Safety Action Program (ASAP), is used as the example below.

Purpose:

This section represents the overall summary of the agency's activities, programs and services. A short description of the functional areas of interest to citizens should be discussed, focusing on major programmatic activities. If appropriate, historical information of note can be included here.

Key Accomplishments:

In this section, agencies should focus on substantive accomplishments that have occurred in the previous 2 to 3 years. This is an opportunity to mention new facilities, grants, programs, and efficiencies that would be of interest to Fairfax County citizens.

FY 2004 Initiatives:

This section is intended to highlight new initiatives, new programs, reorganizations, and other prominent issues that are funded as part of the FY 2004 Adopted Budget Plan. In this section, agencies should discuss the Director's vision for the agency and action plans for the upcoming year.

FY 2004 Budget Reductions:

As part of the FY 2004 Advertised Budget Plan, the County Executive has proposed budget reductions to most General Fund agencies and a few Other Funds. The FY 2004 Budget Reductions section is intended to summarize the reductions and provide a brief synopsis of the impact the reduction may have on fund operations, or its ability to provide services. It should be noted that Fund 117, ASAP, did not have any FY 2004 Budget Reductions, so the box included on the right is for illustrative purposes only.

ALCOHOL SAFETY ACTION PROGRAM

Purpose

The Fairfax County Alcohol Safety Action Program (ASAP) serves a probationary function for the Circuit and General District Courts under the supervision of the ASAP Policy Board. The core program provides intake, classification, rehabilitative alcohol/drug education, referral to treatment, and case management to individuals charged with, or convicted of, driving under the influence of alcohol (DUI). In addition, ASAP provides alcohol/drug education programs for habitual offenders, a drug education program for first-time drug possession offenders, and programs for adolescent substance abusers. Programs are available in English, Spanish, and Korean.

The County is the fiscal agent for the Fairfax ASAP which is administered through the Department of Administration for Human Services. ASAP is designed to be a self-supporting agency, funded entirely by client fees with the County providing indirect support through office space, utilities, and maintenance. The State imposes a fee ceiling on per client costs. The fee has recently increased \$350 per client to \$400 per client. The agreement between the ASAP Policy Board and the Board of Supervisors provides that ASAP will endeavor to develop a reserve fund balance sufficient to avoid deficit status during periods where referrals, and therefore client fee revenues to ASAP, decline. Should surplus client fees above and beyond the balance required for a sufficient reserve fund become available in any fiscal year, the ASAP Policy Board will reimburse the County for these indirect costs, or may request permission from the Board of Supervisors to expend such funds on the ASAP program. The recent increase in fee per client is expected to generate some fund balance in FY 2004 and future years.

Key Accomplishments

- ◆ The Alcohol Safety Action Program (ASAP) has served an average of 4,046 clients over the past three years, an amount that has steadily increased over the past decade. At the same time, ASAP has downsized its staff while maintaining the integrity and quality of its numerous programs.
- ◆ In addition to its core court-mandated programs, ASAP has instituted additional user-funded programs to meet community needs. These programs include driver improvement programs in both English and Spanish, as well as a pilot program for educating reckless/aggressive drivers.
- ◆ Another innovative program for substance-abusing teenagers was begun in FY 2000, in conjunction with the Juvenile and Domestic Relations Court. In this program, adolescents charged with underage possession of alcohol and drugs are required to spend time in the Trauma/Intensive Care unit at Fairfax Inova Hospital observing the victims of substance abuse who are brought to the hospital for treatment.

FY 2004 Initiatives

ASAP will intensify efforts to supplement its existing revenue base through all available means. FY 2004 actions will include:

- ◆ Seeking additional funding sources through grants.
- ◆ Actively marketing its Spanish Driver Improvement Program.
- ◆ Implementing procedures to improve the collection rate, such as revoking the vehicle operator's license of any DUI client who has not successfully completed the ASAP program and has not paid the required fee.
- ◆ Implementing a pilot program of the National Center for State Courts and the Fairfax General District for reckless/aggressive drivers. Additional revenues will be generated under this program.

FY 2004 Budget Reductions

If budget reductions were recommended for this fund, they would be included in this box. In Fund 117, Alcohol Safety Action Program, no budget reductions were recommended, so this box is included here for illustrative purposes only.

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Performance Measurement Results:

This section should include a discussion/analysis of how the agency's Performance Measures relate to the provision of activities, programs, and services stated in the Agency Mission. The results of current performance measures are discussed as well as action plans for future-year improvement of performance targets.

Performance Measurement Results

Service Quality, a measurement of client satisfaction with ASAP education classes, has remained at the 97 percent level since FY 2000, and is projected to remain at this high level. The percentage of individuals completing the program two years prior who have not recidivated has remained between 92 and 94 percent and is expected to remain at that level in FY 2004.

Funding Adjustments

The following funding adjustments from the FY 2003 Revised Budget Plan are necessary to support the FY 2004 program:

- ♦ An increase of \$202,221 in Personnel Services associated with salary adjustments necessary to support the County's compensation program and an increase in the budget for limited term hours based on actual number of class hours supported by limited term employees.
- ♦ An increase of \$23,815 in Operating Expenses to primarily support existing clerical expenses for case management record keeping and filing and as a result of adjustments to Information Technology infrastructure charges.

The following funding adjustments reflect all approved changes to the FY 2003 Revised Budget Plan since passage of the FY 2003 Adopted Budget Plan. Included are all adjustments made as part of the FY 2002 Carryover Review and all other approved changes through December 31, 2002:

- ♦ As part of the FY 2002 Carryover Review the number of ASAP positions was reduced by 1/1.0 SYE to redirect a position to the Fairfax-Falls Church Community Services Board (CSB), which it had been supporting. This position, a Probation Counselor II, is now reflected in the CSB.

Funding Adjustments:

This section summarizes the changes that have been made to the current year's (FY 2003) Revised Budget Plan in order to support the FY 2004 budget. The Funding Adjustments section also lists the adjustments made to the FY 2003 budget during the *FY 2002 Carryover Review* and all other changes through December 31, 2002.

Cost Center-Specific Goals, Objectives and Performance Indicators:

Since the FY 1999 Advertised Budget Plan, an intensive effort has been made to redirect focus toward a balanced picture of performance and away from an almost exclusive focus on outputs. This effort continues as part of the FY 2004 Adopted Budget Plan. The first step is to ensure that agency mission and cost center goals are in alignment, as well as aligned with the objectives associated with each cost center. Second, a family of measures consisting of four types of indicators is linked to each objective to track progress toward meeting those objectives. **Goals** are broad statements of purpose, generally indicating what service or product is provided, for whom, and why. **Objectives** are outcome-based statements of specifically what will be accomplished during the budget year. Ideally, these objectives should support the goal statement, reflect planned benefit(s) to customers, be written to allow measurement of progress, and describe a quantifiable target. **Indicators** are the first-level data for reporting performance on those objectives.

The concept of a **Family of Measures** encompasses the following types of indicators and serves as the structure for a Performance Measurement model that presents a comprehensive picture of program performance as opposed to a single-focus orientation.

- Input: Value of resources used to produce an output.
- Output: Quantity or number of units produced.
- Efficiency: Inputs used per unit of output.
- Service Quality: Degree to which customers are satisfied with a program, or the accuracy or timeliness with which the product/service is provided.
- Outcome: Qualitative consequences associated with a program.

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The idea behind a **Family of Measures** is to provide an overall view of a program so that factors such as cost can be balanced with customer satisfaction and the outcome ultimately achieved. This concept has represented one of the most difficult challenges and reflects one of many significant changes in the budget document in recent years. Since this is the sixth year of the effort, in most cases actual data is available going back as far as FY 1998. However, it should be noted that performance measurement is an iterative process, and as managers continue to learn and improve their programs, ongoing refinement of measures can be expected. An example follows:



Outpatient Services and Case Management

Cost Center Summary					
Category	FY 2002 Actual	FY 2003 Adopted Budget Plan	FY 2003 Revised Budget Plan	FY 2004 Advertised Budget Plan	FY 2004 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	153 / 146.85	153 / 146.85	154 / 147.85	159 / 152.85	159 / 152.85
Grant	1 / 1	1 / 1	1 / 1	1 / 1	1 / 1
Total Expenditures	\$13,090,027	\$12,806,010	\$13,605,087	\$13,328,644	\$13,328,644

Goal

To provide an array of treatment services based upon clinical need in order to improve the functional capacity of adults with serious mental illness and adolescents with serious emotional disturbance. Outpatient Services include short-term focused treatment, such as individual, couples, family, group, and play therapy. Medication management is provided in all programs. Case Management, outreach, family education, and support are also provided.

Performance Measures

Objectives

- ♦ To enable 75 percent of clients served to reach 75 percent of their treatment goals at discharge.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2000 Actual	FY 2001 Actual	FY 2002 Estimate/Actual	FY 2003	FY 2004
Output:					
Cost Center: Outpatient and Case Management – Clients served	8,736	5,282	5,292 / 5,071	5,100	5,100
Cost Center: Outpatient and Case Management – Service hours provided	118,986	179,835	179,835 / 162,091	179,835	179,835
Activity: Adult and Family – Clients served	2,433	2,202	2,202 / 1,929	2,100	2,100
Activity: Adult and Family – Service hours provided (1)	31,879	53,358	53,358 / 31,988	53,358	53,358
Efficiency:					
Activity: Adult and Family – Annual cost per client (2)	\$1,354	\$799	\$823 / \$1,085	\$913	\$990
Service Quality:					
Activity: Adult and Family – Percent of satisfied clients	93%	87%	90% / 88%	85%	85%
Outcome:					
Activity: Adult and Family – Percent of clients who meet 75 percent of treatment goals at discharge (3)	39%	77%	80% / 80%	75%	75%

(1) In FY 2002, service hours provided were relatively low due to difficulties with staff documentation of clinical time. Work continues on ensuring complete documentation of clinical service time and it is expected that all of the data will be captured and entered for FY 2003.

(2) Beginning in FY 2001, indicator reflects net cost to the County.

(3) Beginning in FY 2001, CSB began utilizing a new methodology to calculate whether treatment goals have been met. This results in a higher percentage of clients meeting the discharge goal.

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Fund Statement:

A Fund Statement provides a breakdown of all collected revenues and total expenditures and disbursements for a given fiscal year. It also provides the total funds available at the beginning of a fiscal year and an Ending Balance. An example follows:

FUND STATEMENT							
Fund Type	Fund Type 040, Enterprise Funds			Fund 401, Sewer Operation and Maintenance			Fund
		FY 2002 Actual	FY 2003 Adopted Budget Plan	FY 2003 Revised Budget Plan	FY 2004 Advertised Budget Plan	FY 2004 Adopted Budget Plan	
	Beginning Balance	\$5,666,012	\$84,030	\$5,553,095	\$199,103	\$199,103	Funds available at the beginning of the fiscal year
Revenue Categories	Revenue:						
	Miscellaneous Revenue	\$51,886	\$0	\$0	\$0	\$0	
	Sale Surplus Property	42,007	0	0	0	0	
	Total Revenue	\$93,893	\$0	\$0	\$0	\$0	
	Transfer In:						
	Sewer Revenue (400)	\$60,773,880	\$63,852,440	\$61,894,958	\$71,745,705	\$71,640,262	
	Total Transfer In	\$60,773,880	\$63,852,440	\$61,894,958	\$71,745,705	\$71,640,262	
	Total Available	\$66,533,785	\$63,936,470	\$67,448,053	\$71,944,808	\$71,839,365	Revenue available for expenditure during the fiscal year
Expenditure Categories	Expenditures:						
	Personnel Services ¹	\$17,768,869	\$21,141,130	\$19,506,237	\$22,145,842	\$22,040,399	
	Operating Expenses	42,633,459	42,653,792	47,426,075	49,274,548	49,274,548	
	Recovered Costs	(683,007)	(690,666)	(563,966)	(578,471)	(578,471)	
	Capital Equipment	1,261,369	721,784	880,604	858,059	858,059	
	Total Expenditures ¹	\$60,980,690	\$63,826,040	\$67,248,950	\$71,699,978	\$71,594,535	
	Total Disbursements	\$60,980,690	\$63,826,040	\$67,248,950	\$71,699,978	\$71,594,535	
Total Funds Available minus Total Disbursements	Ending Balance	\$5,553,095	\$110,430	\$199,103	\$244,830	\$244,830	
	P.C. Replacement Reserve ²	84,030	110,430	110,430	244,830	244,830	
	Unreserved Balance	\$5,469,065	\$0	\$88,673	\$0	\$0	

¹ In order to account for revenues and expenditures in the proper fiscal year, an audit adjustment in the amount of \$88,673 has been reflected as a decrease to FY 2002 expenditures to reflect adjustments for accrued compensated absences. The audit adjustment has been included in the FY 2002 Comprehensive Annual Financial Report (CAFR).

² The PC Replacement Reserve was established for the timely replacement of computer equipment.

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Summary of Capital Projects:

A Summary of Capital Projects is included in all Capital Project Funds, selected Enterprise Funds, Housing Funds and Special Revenue Funds that support capital expenditures. The Summary of Capital Projects provides detailed financial information about each capital project within each fund, including: total project estimates, prior year expenditures, revised budget plans, and proposed funding levels. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects, or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

FY 2004 Summary of Capital Projects

Fund: 301 Contributed Roadway Improvements

Project #	Description	Total Project Estimate	FY 2002 Actual Expenditures	FY 2003 Revised Budget	FY 2004 Advertised Budget Plan	FY 2004 Adopted Budget Plan
007700	Fairfax Center Reserve		\$714,071.46	\$7,805,113.41	\$716,467	\$716,467
007701	Route 50/Waples Mill Interchange	1,909,619	327,670.15	1,567,894.40	0	0
008800	Centreville Reserve		249,260.00	2,545,934.90	92,661	92,661
008801	Stone Road	1,004,903	17,205.08	987,697.92	0	0
008802	Clifton Road	928,595	190,050.82	662,720.79	0	0
009900	Miscellaneous Reserve		56,000.00	9,043,653.80	1,115,678	1,115,678
009901	Primary Improvements		0.00	424,584.00	0	0
009902	Secondary Improvements		0.00	388,938.00	0	0
009903	Bridge Design/Construction		0.00	8,369.00	0	0
009904	Intersection/Interchange		0.00	311,975.00	0	0
009906	Signal Installations		89,777.00	278,037.57	0	0
009908	Transit Improvements		0.00	5,381.59	0	0
009909	Reston East Park-N-Ride		0.00	103,862.00	0	0
009911	Tysons Corner Reserve		300,000.00	9,458,289.00	230,475	230,475
009913	Dolley Madison Blvd	8,945,941	5,950,806.94	2,068,870.25	0	0
Total		\$12,789,058	\$7,894,841.45	\$35,661,321.63	\$2,155,281	\$2,155,281

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Project Detail Tables:

Project Detail Tables are included for each capital project funded in FY 2004. This table includes financial information and a narrative description of the project, including project location, description, and the source of funding which will support each funded capital project (i.e., General Funds, General Obligation Bonds, Transfers from Other Funds, or Other). The example below is for Parks – Grounds Maintenance, and can be found in Fund 303, County Construction.

009442	Parks – Grounds Maintenance
Countywide	Countywide
Description and Justification: This project provides for grounds maintenance at non-revenue producing countywide parks. Grounds maintenance includes the upkeep of sidewalks and parking lots, bridges, recreation and irrigation equipment, picnic equipment, tennis courts, and trails. FY 2004 funding in the amount of \$700,000 is included for grounds maintenance needs at designated Park Authority sites throughout the County.	

	Total Project Estimate	Prior Expenditures	FY 2002 Expenditures	FY 2003 Revised Budget Plan	FY 2004 Advertised Budget Plan	FY 2004 Adopted Budget Plan	Future Years
Land Acquisition		\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering		0	0	0	0	0	0
Construction		0	0	0	700,000	700,000	0
Other		1,200,458	876,625	734,828	0	0	0
Total	Continuing	\$1,200,458	\$876,625	\$734,828	\$700,000	\$700,000	\$0

Source of Funding				
General Fund	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$200,000	\$0	\$0	\$500,000	\$700,000